

July 25, 2005

Question and Answers

The following sections are covered: Part 1, Section 1; Part 2, Section 3 and Appendix B

Part 1, Section 1

1. Question: There is not enough detail about the twenty percent (20%) earned incentive. If a BOS agency is determined to be a large agency, does it remain so for the duration of the contract, or is it computed month to month? If month to month, how timely will the determination be?

Answer: Incentive contracts pertain to all Milwaukee agencies and any BOS agencies with a CSJ caseload greater than fifty (50) for three (3) consecutive months. Milwaukee agencies have incentive contracts for the entire four-year period. For BOS agencies, there will be annual determinations made each December for the next calendar year.

BOS determinations (incentive or not) are for the entire next calendar year. The determinations are not retroactive. So, an agency can be non-incentive one year and incentive the next or visa versa. In such cases, the incentive is prorated.

For the purposes of these determinations, CSJ caseloads include all types of CSJ cases.

2. Question: How quickly will we know if we earn the twenty percent (20%)? Will it be twenty percent (20%) or nothing? Would we get portions of it if certain standards are met but not others? Need more details on how this will operate so we can plan.

Answer: The twenty percent (20%) incentive holdback is not tied to performance standards. Agencies earn set dollar amounts for each of four (4) desired outcomes for each client they serve. We are still developing the dollar amounts for each of the outcomes and will have them available shortly. The outcome types are:

- Entered Employments Within Three (3) Months of Application;
- Entered Employments Beyond Three (3) Months of Application;
- Employment Stabilization Over Six (6) Months; and
- SSI Approvals.

It is possible to earn more than one incentive for a single participant. For example, an agency could earn incentives for a participant entering employment and again for stabilization. However, an agency can earn entered employment incentives only once annually for each participant.

Department staff will determine quarterly how much each incentive contract agency has earned and issue a contract amendment to increase the agency's budget authority by the amount earned. The twenty percent (20%) is not withheld from each check. In the unlikely event an agency fails to earn the entire twenty percent (20%), the penalty would occur at the end of the two-year funding cycle. Once an agency earns the entire twenty percent (20%) incentive amount, there are no additional incentive earnings as the contract amount is capped.

Part 2, Section 3

3. Question: We received many questions on how the 1/24th monthly cap on reimbursements described in Part 2, Section 3, Item #1.2 would work.

Answer: The cap was intended to provide spending controls and to ensure the funding is available for the entire contract period. However, the Department has decided not to impose caps on all providers.

Instead, agency spending will be closely monitored on a monthly basis. If spending exceeds the elapsed time and/or the established monthly budgets by ten percent (10%), a conference will be held with the agency to determine the cause and explore solutions. A corrective action plan may be imposed on the agency calling for immediate cost reductions. A monthly reimbursement cap may be part of the corrective action plan for that agency.

Appendix B

4. Question: Benchmark is defined as Annual Compliance and Right of First Selection, does this mean that the Entered Employment performance standard benchmark for year one of the contract is 45%?

Answer: Yes. The forty-five percent (45%) benchmark for Entered Employment is the contract-to-date benchmark for RFS. Agencies must meet that benchmark by December 31, 2008.

5. Question: Will all existing cases be carried-in?

Answer: All cases that are open as of 1/1/6 will be counted.

6. Question: Will CMF and CMU cases as of 12-31-05 be carried-in to the JDPA? Will these cases also be carried-in to the CMA?

Answer: CMF and CMU with open cases, open at any point during the contract period, will be counted in both the JDPA and the CMA's denominator. This includes any cases that were open prior to the start of the contract but remain open during the contract period.

7. Question: The current, 2004-05, contract includes several performance standards that use UI data. It appears that no reports have been produced regarding these standards. When will these reports be available?

Answer: Reports 14, 15 and 16 are out there. Please let us know if you cannot see them.

8. Question: The RFP for the contract 2006-09, includes a performance standard with a benchmark of \$5,928 earned for the combined two quarters after employment. How does this standard compare to current performance?

Answer: Currently, about 32% of all cases with an entered employment have total earnings of \$5928 or greater reported in the UI database (2004 data).